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New NCSEA Report Reveals Drivers Behind North Carolina Electricity Charges

Report Analyzes Conventional and Clean Energy Charges on North Carolina Electric Bills, Impacts on Ratepayers

RALEIGH, N.C., MAY 19, 2015 – The <u>NC Sustainable Energy Association (NCSEA</u>), a leading 501(c)3 nonprofit organization dedicated to shaping the state's clean and efficient energy future, uncovers new insights about North Carolina electricity costs in its 2015 report, <u>Understanding the Impact of Electric Choices on North Carolina</u> <u>Residential Electricity Rates and Bills</u>. The report offers transparency into the complex process behind the electricity charges seen on monthly utility bills.

Since 2001, North Carolina electric ratepayers have seen their monthly bills steadily rise. In an effort to provide consumers increased transparency into the source of increased energy costs and navigate the contents of their energy bills, NCSEA examined NC Utilities Commission (NCUC) information to determine the key drivers affecting consumers' electric rates by tallying the changes the NCUC has ordered for residential customers' electricity bills since 2001. The trends in the report – namely, that conventional costs are rising and clean energy costs are nominal – equip all North Carolina customers with accurate information and a clear understanding about where their electric bill charges come from.

The report asserts North Carolina utility consumers are primarily paying for conventional electricity charges in their monthly bills, which in total cost Duke Energy Carolinas and Duke Energy Progress customers an average \$107.64 and \$106.67 in 2014, respectively. By contrast, the report finds that line items for clean energy policies such as the Renewable Energy and Energy Efficiency Portfolio Standard (REPS) account for less than \$1 per month of those average bills, while also benefiting North Carolina in the form of <u>economic impacts</u> and net cost savings.

"This report confirms that investments in conventional energy sources and maintaining the electric grid make up the vast majority of peoples' bills," said Ivan Urlaub, NCSEA's executive director. "Efficiency programs have to be low cost or they cannot be approved, and achieving our renewable energy targets in 2015 will cost 78 percent less than policymakers had expected. If we didn't have the REPS and utility efficiency programs, for example, customers would be paying more for electricity today than they already are."

Findings from ScottMadden and RTI International earlier in 2015 support the cost savings argument for clean energy, with <u>their report</u> concluding that despite rising rates, bills would have been significantly higher without renewables and energy efficiency in North Carolina's energy mix. The report shows the benefits of clean energy line items to North Carolina ratepayers include \$162 million in cost savings since 2007, and an estimated additional \$489 million saved by 2029.

"Many customers are under the misconception that clean energy resources are simply an added cost," said Urlaub. "However, clean energy is actually offsetting conventional energy costs and diversifying our energy mix. This report lets customers know that even though they're seeing line items on their bills for clean energy resources, they're still saving on their bills, both now and in the future."

Understanding the Impact of Electric Choices on North Carolina Residential Rates and Bills is available on the NCSEA website via the following link: <u>http://bit.ly/1AgCKmC</u>



For regular updates, please visit NCSEA online at <u>energync.org</u> and follow NCSEA on <u>Facebook</u> and <u>Twitter</u>.

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About NCSEA

The NC Sustainable Energy Association is a 501(c)(3) nonprofit membership organization of individuals, businesses, government and nonprofits interested in North Carolina's sustainable energy future. NCSEA is the leading North Carolina nonprofit devoted to leading public policy change and driving market development in ways that will create clean energy jobs and lower electric rates in the long-term. Founded in 1978, NCSEA works every day to support and attract clean energy jobs, economic opportunities and affordable energy to benefit North Carolina. Today, our Raleigh-based team of clean energy advisors, analysts and advocates works closely with policymakers, consumers and industry leaders to research, inspire and affect clean energy progress statewide.